

**NASA, John F. Kennedy Space Center**  
**Procurement Office**  
**Justification for Other than Full and Open Competition**  
**Procurement of Commercial Payload Processing Capability for East**  
**Coast Payloads Launching on Expendable Launch Vehicles**  
**Five-Year Ordering Period Commencing with Contract Award**

*This Justification is prepared in accordance with FAR 6.3 and NFS 1806.3.*

- (1) *Identification of the agency and the contracting activity, and specific identification of the document as a "Justification for other than full and open competition."*

This Justification for Other than Full and Open Competition (JOFOC) relates to a procurement action to be taken by the Procurement Office at John F. Kennedy Space Center, NASA.

- (2) *Nature and/or description of the action being approved.*

This JOFOC pertains to acquisition of commercial payload processing capability, on a noncompetitive basis, from Astrotech Space Operations Inc. (ASO), Titusville, Florida.

- (3) *A description of the supplies or services required to meet the agency's needs (including the estimated value).*

The subject procurement is for acquisition of the commercial payload processing capability for East Coast payloads launching on Expendable Launch Vehicles. The procurement will result in a firm-fixed-price Indefinite-Delivery, Indefinite-Quantity (IDIQ) contract that does not specify a firm quantity of services (other than a minimum or maximum value), but provides for the issuance of orders for the performance of tasks during the contract period. The contract will have a minimum order value of \$100,000 and a maximum order value of \$9,100,000. A Task Order will be issued for each mission and will be performed within the terms of the IDIQ contract.

The missions are scheduled for launch from Cape Canaveral Air Force Station (CCAFS), Florida, on Expendable Launch Vehicles (ELVs) and Evolved Expendable Launch Vehicles (EELVs). Current mission manifests project launch dates through Calendar Year 2018. Payload processing is anticipated to commence approximately three months prior to the launch date for each payload. Upon completion of payload processing approximately two weeks prior to the launch date, the payloads will be moved to CCAFS, mated to the launch vehicle, and launched.

Commercial Payload Processing Capability includes providing the processing facility, support equipment, and support personnel for NASA and ELV contractor personnel who will prepare the referenced payloads for launch. For each mission, detailed requirements definitions will be

developed to specify the exact facility capability, equipment, and manpower support required. The total estimated price of the proposed procurement is not expected to exceed \$9,100,000.

- (4) *An identification of the statutory authority permitting other than full and open competition.*

This JOFOC is authorized under FAR 6.302-1 and 10 U.S.C. 2304 (c) (1), which permits restriction on full and open competition when the supplies or services required by the agency are available from only one responsible source, and no other type of supplies or services will satisfy agency requirements.

- (5) *A demonstration that the proposed contractor's unique qualifications or the nature of the acquisition requires use of the authority cited.*

The NASA Launch Services Program (LSP), pursuant to existing NASA policy, has determined that payload processing for missions must be performed in commercial facilities (rather than Government facilities) whenever processing requirements permit. This policy is part of a larger NASA effort to commercialize space transportation and payload processing, similar to commercialization efforts previously undertaken for expendable launch vehicle services. The only source capable of satisfying the Agency's requirement for East Coast commercial processing is ASO, Titusville, Florida. ASO is the only company with a commercial payload processing facility in the vicinity of CCAFS, and has provided commercial processing services at its Titusville location since the mid 1980s. It is a well-established principle for spacecraft of this type that the processing facility must be near the launch facility. Transport of a processed and fueled payload, encapsulated in its payload fairing, must be minimized to reduce cost and especially to reduce risk of damage to the highly valuable spacecraft or of other mishap during transportation.

- (6) *A description of efforts made to ensure that offers are solicited from as many potential sources as is practicable, including whether a notice was or will be publicized as required by [Subpart 5.2](#) and, if not, which exception under [5.202](#) applies.*

As required by FAR 5.2, a notice of proposed contract action reflecting this JOFOC will be publicized for at least 15 days after approval of this JOFOC.

- (7) *A determination by the contracting officer that the anticipated cost to the Government will be fair and reasonable.*

It is anticipated that the cost of the described procurement will be fair and reasonable. ASO has previously performed similar processing for NASA KSC and other Government customers; prices for this work were determined to be fair and reasonable and are available for historical pricing comparison. ASO will be required to provide proposal information in sufficient detail to allow the Government to determine price reasonableness. In accordance with FAR Part 12 and FAR 15.403-1 (b)(3), because a commercial service is being acquired, the Government will not require submission of certified cost or pricing data.

- (8) *A description of the market research conducted (see [Part 10](#)) and the results or a statement of the reason market research was not conducted.*

Formal market research will not be conducted for this procurement. Payload processing capability requires highly specialized facilities, equipment, and personnel, as well as large capital investment. Processing assignments and capability are well publicized and marketed to the space launch community. For these reasons, processing providers have high visibility within the community and existing capabilities are well known. Further, given the high cost of entry into the market and existing market conditions, it is highly unlikely that capability from a new provider would or could be developed in time to support this procurement, even if such efforts began immediately.

- (9) *Any other facts supporting the use of other than full and open competition.*

Processing specifications and requirements specific to a particular spacecraft are necessarily detailed and specialized, to ensure proper preparation and minimize risk. The nature of these requirements, while challenging, is not ultimately considered to be a primary factor restricting the development of alternative sources. Rather, the barriers described in the previous paragraph (high level of specialization, high cost of entry into market, relatively weak current commercial market) are likely the reasons why competitive sources have not materialized.

- (10) *A listing of the sources, if any, that expressed, in writing, an interest in the acquisition.*

There is only one source anticipated to express interest in the proposed acquisition. As required by FAR 5.2, a notice of proposed contract action reflecting this JOFOC will be publicized for at least 15 days after approval of this JOFOC.

- (11) *A statement of the actions, if any, the agency may take to remove or overcome any barriers to competition before any subsequent acquisition for the supplies or services required.*

There are no known actions that the Agency may take to remove or overcome barriers to competition before completion of the proposed acquisition. These barriers, as described earlier, are external to the Agency and, therefore, not in the Agency's control.

- (12) *Contracting officer certification that the justification is accurate and complete to the best of the contracting officer's knowledge and belief.*

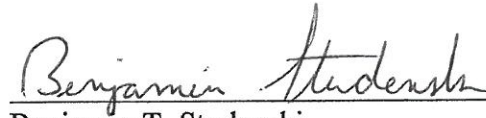
The contracting officer certifies below that this Justification is accurate and complete to the best of her knowledge and belief.



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Five-Year Ordering Period Commencing with Contract Award**

Technical Officer:

I certify that the supporting data presented in this justification are accurate and complete to the best of my knowledge and belief.



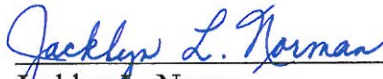
Benjamin T. Studenski  
Contracting Officer Technical Representative  
LSP Program Business Office

6/8/12

Date

Procurement:

I certify that the supporting data presented in this justification are accurate and complete to the best of my knowledge and belief.

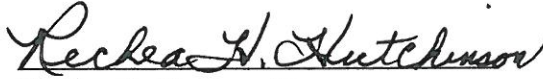


Jacklyn L. Norman  
Contracting Officer

6/8/12

Date

Concurrence:

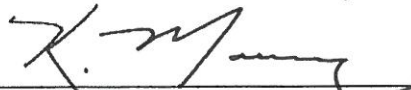


*for* Dudley R. Cannon, Jr.  
Procurement Officer

6/14/12

Date

Approval:



Kelvin Manning  
Competition Advocate

JUN 18 2012

Date